



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE**  
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**FORMER COMPUTER CEO PLEADS GUILTY TO**  
**MULTIMILLION-DOLLAR FRAUD IN MIDDLE OF TRIAL**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York announced that ERIC SKYS, the former Chairman, President, and CEO of Kaiser Himmel Corporation, based in Rockwood, Pennsylvania, pleaded guilty today after two days of a jury trial, to all five counts of an Indictment charging him with securities fraud, wire fraud and bank fraud. SKYS' plea was accepted by United States District Judge WILLIAM H. PAULEY III, who presided over the trial. Judge PAULEY also denied SKYS' application to be released on bail.

According to the evidence at trial and SKYS' guilty plea allocution today:

SKYS engaged in a scheme to defraud Citibank, N.A. ("Citibank") of more than \$80 million. Specifically, beginning in August 2007, SKYS attempted to obtain a loan from Citibank in exchange for pledging millions of shares of Sprint Nextel Corporation stock that SKYS claimed to own. As SKYS admitted during his guilty plea, he owned no such stock, and he had forged the documents that he submitted to Citibank that purported to evidence his ownership of the shares.

Counts One through Four of the Indictment, to which SKYS pleaded guilty, charged him with securities fraud and wire fraud and each carries a maximum sentence of twenty years in prison. Count Five charged SKYS with bank fraud and carries a maximum sentence of thirty years in prison. He is scheduled to be sentenced by Judge PAULEY on November 6, 2009, at noon.

SKYS, 26, who has been detained since his arrest on May 15, 2008, formerly resided in Somerset, Pennsylvania.

Mr. DASSIN praised the investigative work of the Federal Bureau of Investigation and thanked the Pennsylvania State Police and United States Air Force Office of Special

Investigations for their assistance in this case.

Assistant United States Attorneys WILLIAM J. STELLMACH  
and MARIA E. DOUVAS are in charge of the prosecution.

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